

# Special Review

OFFICE OF THE STATE AUDITOR



## Protecting Lives & Property: Who Pays?

**Funding**

**Vermont's Radiological Emergency Response Plan**



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# **State Auditor’s Special Review of Vermont’s Radiological Emergency Response Plan Fund**

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# Executive Summary

## Review Highlights

- *Current funding for emergency response is about one third of what is needed.*
- *Six departments of State government subsidize the cost to prepare for an emergency at Vermont Yankee.*
- *Vermont receives less in funding for its RERP program than any other state in New England with an operating nuclear power plant.*
- *Vermont relies upon a core group of committed local and state officials to pass biennial drills. Some are volunteers and others carry out multiple tasks in the Plan, which might not bode well for an actual emergency.*

Prior to 1979, local and state emergency planners thought they had only Mother Nature to worry about when it came to protecting the lives of the people and property in their communities. Floods, hurricanes, blizzards, fires and earthquakes were the chief events that could alter the face of any given community.

Then, in March 1979 a partial meltdown at the Three Mile Island nuclear power plant in Pennsylvania spurred the federal government to increase its oversight of commercial nuclear power plants. From that day on, federal, state and local emergency planners have developed plans to respond to a radiological emergency at a nuclear power plant. This program is known as the Radiological Emergency Response Plan (the Plan), and it exists across the country. In Vermont, the financial support to test and carry out this Plan is provided through the Radiological Emergency Response Plan Fund (the Fund), which was established in 1983. The Fund is maintained at \$400,000 and its sole source of income is a charge to any utility operating a nuclear power plant in the State. Currently, the Vermont Yankee Nuclear Power Corporation is the only utility operating such a plant.

On September 11, emergency planners received another wake-up call. Terrorist attacks on New York City and Washington, D.C. greatly heightened the awareness that nuclear power plants could be targets for sabotage. The Office of the Vermont State Auditor conducted a special review of the Vermont Radiological Emergency Response Plan Fund as a result of increased citizen concern regarding the State's ability to respond to an actual emergency at Vermont Yankee.

### We found:

- Current funding for emergency response is one third of what is needed to carry out the Plan. At least six departments of state government currently subsidize the cost of emergency preparedness for an accident at Vermont Yankee with taxpayer dollars;
- Vermont receives the least amount of funding for its Radiological Emergency Response Plan, in total dollars, of any New England state that hosts a nuclear power plant;

*“We are sympathetic to the utility’s concern for controlling costs with respect to the pending sale of the plant and have committed to expend additional state and federal resources to subsidize this program in the coming year. However, I believe in the near future, the present or new owners will need to broaden their level of support for preparedness activities that need to be accomplished on behalf of the communities that reside in the Emergency Planning Zone.”*

- Ed von Turkovich,  
Director of Vermont’s  
Division of Emergency  
Management, in  
a February 14, 2000 memo  
to Administration Secretary  
Kathleen Hoyt.

- The implementation of the Plan is not linked with the administration of the Fund. There is no relationship between the \$400,000 required by statute to be maintained in the RERP Fund and the statutory goals of the Plan;
- Vermont depends upon a core group of committed local and state officials to pass biennial drills. Some are volunteers. Others carry out multiple tasks in the Plan. While this works well for a drill, it may not be an adequate response for a true emergency.
- The Department of Finance and Management did not regularly reconcile or track disbursements associated with the RERP Fund. As a result, inaccurate billing has occurred, actual annual costs are difficult to ascertain, and towns have not received funds in a timely fashion;
- The State receives no money from the owners of the decommissioned Yankee Rowe nuclear power plant, located in Rowe, Massachusetts, to maintain an emergency response plan for four Vermont towns within 10 miles of the plant.

The shared responsibility for emergency preparedness between State departments, local municipalities, and Vermont Yankee makes it difficult to estimate the true cost of readiness. In recent discussions, Division of Emergency Management personnel estimated funds needed for state and local efforts to be \$1.2 million annually.

The lack of funding and overarching coordination at the state level directly impacts the ability of the state, local, and power plant planners to be adequately prepared for a real emergency at Vermont Yankee.

For example, on August 23, 2001 the Nuclear Regulatory Commission (NRC) staged a mock terrorist drill in which three NRC operatives, along with a person working from the inside, were able to gain access to the plant. A subsequent emergency response drill on September 5, 2001 by the Federal Emergency Management Agency gave Vermont passing grades but turned up numerous problem areas, including improper, missing, or inadequate evacuation notices for the town of Vernon and for elderly and disabled members of the community.

A drill is only an exercise. Our Review found that Vermont is dependent upon a small core of dedicated and trained state and local officials who sometimes fill multiple roles in mock drills when safety procedures are not all tested at the same time.

*The shared responsibility for emergency preparedness (RERP) between state departments, local municipalities, and Vermont Yankee makes it difficult to estimate the true cost of readiness. In recent discussions Emergency Management personnel estimated funds needed for state and local efforts to be \$1.2 million annually.*

In addition to the safety risks, insufficient state funding places additional cost burdens on local taxpayers.

Our Office recommends changes to the funding and administration of the Radiological Emergency Response Plan Fund in order to improve internal controls, increase effective and efficient use of state and local personnel, and end the state and local subsidies currently in place to carry out the Plan.

Vermonters deserve to know that their families and property will be kept safe and secure in the event of an actual emergency at Vermont Yankee.

**We Recommend:**

- Vermont's Division of Emergency Management should administer the Fund associated with carrying out the Plan. The Division should regularly track and reconcile disbursements to ensure the fiscal accountability of the Fund;
- Vermont's Division of Emergency Management should survey all State departments and local municipalities with responsibilities under the Plan, and develop an annual comprehensive budget;
- The Public Service Board should be granted authority to review and approve the annual comprehensive budget needed to carry out the Plan, and should assess the approved costs to any utility operating a nuclear power plant in Vermont;
- Vermont should document and assess the amount of money that has been subsidized by various State departments for Fiscal Years 1999, 2000, 2001, and 2002 and recoup those monies from the Vermont Yankee Nuclear Power Corporation;
- Vermont should secure funding from the owners of Yankee Rowe to cover the costs associated with maintaining a radiological response plan in the four nearby Vermont communities; and,
- Vermont should ensure that the Plan and the Fund are adequately maintained after Vermont Yankee is decommissioned, without placing the burden of these costs on state and local taxpayers.

# *Special Review of Vermont's Radiological Emergency Response Plan Fund*

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## *Office of the State Auditor*

### *Purpose*

The Office of the State Auditor has conducted a financial review of the Vermont Radiological Emergency Response Plan Fund (the Fund), a special fund authorized in 20 V.S.A. § 38 to pay for expenses needed to “maintain the effectiveness of the Vermont radiological emergency response plan.” The purpose of the review was to examine controls and compliance with applicable policies and procedures, state statutes and rules and regulations for planning and funding the RERP.

This review was initiated at the request of citizens concerned about the adequacy of emergency preparedness, especially after the events of September 11, 2001.

### *Authority*

This review was conducted pursuant to the State Auditor's authority contained in 32 VSA §§ 163 and 167, and was performed in accordance with the Government Auditing Standards issued by the Comptroller General of the United States as well as Generally Accepted Auditing Standards promulgated by the American Institute of Certified Public Accountants.

### *Methodology & Scope*

The scope of this Office's financial review of the RERP Fund was to assess compliance with all relevant laws, rules and regulations pertaining to the Fund's obligations; to review the design and implementation of internal control systems; and to ensure that established policies and procedures are being followed and continue to be appropriate to carry out the purposes of the Fund.

Our methodology involved a review of all relevant statutes, regulations, internal policies and procedures to determine the Fund's effectiveness. We interviewed key personnel from the Department of Finance and Management, the Division of Emergency Management and the Department of Health as well as citizens and representatives from municipalities in the Emergency Planning Zone (EPZ).<sup>1</sup> Our test work included a review of disbursements from the Fund during Fiscal Years 1999 and 2000. We also reviewed budget needs surveys sent to local communities during Fiscal Years 1999 and 2000 and the consolidated budget requests for Fiscal Years 1999 through 2002. We reviewed the Draft Audit Report of Counts and Associates, a private firm hired by Vermont Yankee Nuclear Power Corporation to audit the RERP Fund.<sup>2</sup>

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<sup>1</sup> The Emergency Planning Zone is defined by the Nuclear Regulatory Commission and the Environmental Protection Agency as a 10-mile radius from the perimeter of an operating nuclear power facility. NUREG-0396.

<sup>2</sup> The draft audit was provided to the Office by the Vermont Yankee Nuclear Power Corporation.



*Until the near core  
meltdown at the Three  
Mile Island nuclear  
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Pennsylvania in 1979,  
local emergency  
management officials  
primarily prepared  
for natural disasters -  
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blizzards and  
earthquakes.*

We also attended a Congressional Hearing sponsored by Rep. Bernard Sanders, I-VT, at the Brattleboro Union High School on December 3, 2001. The hearing was held to give residents living near the nuclear plant a chance to ask state and federal regulators questions about emergency preparedness and evacuation procedures in light of the events of September 11, 2001. More than 600 people attended the hearing. Approximately 20 state and federal officials were on hand to testify regarding security and safety issues and answer residents' questions.

A review differs substantially from an audit conducted in accordance with applicable professional standards. The purpose of an audit is to express an opinion. The purpose of a review is to identify findings and observations and to make recommendations so that the reviewed agency can better accomplish its mission and more fully comply with laws, regulations, and grant requirements. This review relied upon representations of, and information provided by, the staff of the Department of Finance and Management, the Division of Emergency Management and the Department of Health. If an audit had been performed, the findings and recommendations may or may not have differed.

## ***Scope Limitation***

Key personnel from the Department of Finance and Management, the Division of Emergency Management and the Department of Health were very helpful and cooperative during the course of this review.

However, the Department of Public Safety failed to produce financial records requested by this Office in a timely manner. This information request was made pursuant to 32 VSA §§ 163 and 167 and 1 VSA § 317 on October 27, 2001. Issues related to access to these documents unnecessarily delayed the issuance of this report and may have materially altered its findings and recommendations.

## ***Background***

### ***The Radiological Emergency Response Plan (the Plan)***

Until the near core meltdown at the Three Mile Island nuclear reactor in Pennsylvania in 1979, local emergency management officials primarily prepared for natural disasters - floods, hurricanes, blizzards and earthquakes. After the events of Three Mile Island, federal officials began to issue preparedness guidelines for states with operating nuclear reactors. These guidelines have been modified over time, but remain the core purpose of the RERP program.

Vermont's RERP program was developed with two nuclear power plants in mind: Yankee Rowe (a decommissioning plant) in Rowe, Massachusetts and Vermont Yankee (an operating plant) in Vernon, Vermont.

The RERP program is under the direction of the Division of Emergency Management. The Plan, "shall be designed to protect the lives and property of persons residing within this state who might be threatened as the result of their proximity to any operating nuclear reactor. The plan shall be formulated in accordance with procedures approved by the Federal Nuclear Regulatory Commission. The plan shall provide for the following:

- (A) Monitoring radiological activity within the state.
- (B) Emergency evacuation routes within a ten-mile radius of any operating nuclear reactor.
- (C) Adequate notification and communications systems.
- (D) Contingency procedures as deemed necessary in the event of an incident or accident involving an operating nuclear reactor."<sup>3</sup>

In addition, the Division assists the state Emergency Response Commission, local emergency planning committees and municipally established local organizations to develop, implement and coordinate emergency response plans. Within the 10-mile Emergency Planning Zone around Vermont Yankee, these plans must include preparation for a radiological emergency.

The effectiveness of the Plan is tested every odd-numbered year in a drill conducted by the federal Nuclear Regulatory Commission and the Federal Emergency Management Agency (FEMA) in conjunction with various state and local entities and utility employees. Personnel from the Department of Public Safety, the Agency of Natural Resources, the Department of Agriculture, the Agency of Transportation, the Department of Health and the Division of Emergency Management all play key roles in the execution of the drill.

The Division of Emergency Management, its RERP Planner, as well as local emergency directors and plant personnel, review the Plan annually. Division personnel said they focus more intently on this function immediately preceding the biennial drill than during the off years.

### ***The Vermont RERP Fund***

The Vermont Legislature created the Vermont Radiological Emergency Response Plan Fund in 1983. Expenditures from the Fund are "for the purpose of providing the personnel, operating costs and equipment necessary to maintain the effectiveness of the Vermont radiological emergency response plan."<sup>4</sup>

The Fund is separately maintained and accounted for by the State Treasurer and administered by the Department of Finance and Management.<sup>5</sup> Expenses deemed necessary by the Emergency Management Division are approved for reimbursement by the Commissioner of the Department of Finance and Management and paid to "any municipality, county or state agency or any support organization for the proportion of emergency preparation costs directly related to the preparation for, testing or carrying out of the radiological emergency response plan."<sup>6</sup>

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<sup>3</sup> 20 V.S.A. § 3a (1)

<sup>4</sup> 20 V.S.A. § 38 (a)

<sup>5</sup> 32 V.S.A. Chapter 7 § 5

<sup>6</sup> 20 V.S.A. § 38(a)(1)

*“While we have not drawn from the Fund previously,” this has resulted in an unnecessary subsidy to Vermont Yankee. We believe that Vermont Yankee needs to be responsible for these costs which result from its operation.”*

- William Sherman,  
State Nuclear Engineer at the  
Vermont Department  
of Public Service,  
in a June 21, 2001 memo  
to the Division of  
Emergency Management.

Current state law requires that “any utility operating a nuclear reactor in this state shall pay to the state treasurer an amount equal to the amount required to establish or maintain the Vermont radiological emergency response plan fund at the level of \$400,000.”<sup>7</sup> The only utility currently operating a nuclear power plant is the Vermont Yankee Power Corporation, located in Vernon.

At the Fund’s inception in 1983, its annual support was capped at \$250,000 by the Legislature. In 1990, the cap was raised to \$300,000 and in 1999, it was raised to \$400,000. The 1999 increase came with the caveat that the Vermont Health Department continue to conduct its existing surveillance program at a cost of roughly \$100,000 per year.<sup>8</sup> The net effect was no change to the overall amount of funding available for implementing emergency response plans.

Any money that remains in the Fund at the end of any fiscal year is carried forward for expenditures in the next fiscal year, and any interest accrued on the money remains in the Fund.<sup>9</sup>

### ***Emergency Planning Oversight***

In addition to the Division’s efforts, several oversight commissions have the authority to provide the public with adequate information and technical expertise to be fully prepared in the event of a radiological emergency.

The State Emergency Response Commission was established in 1990. One of its responsibilities is to work with local organizations to define their “capacity to perform emergency functions in response to radiological and hazardous chemical or substance incidents. Each local organization shall perform the emergency functions indicated on the most recently submitted form in response to radiological or hazardous or substance incidents.”<sup>10</sup>

The Vermont State Nuclear Advisory Panel (VSNAP) was created in 1977. It is charged with the responsibility of informing policymakers, as well as the general public, about ongoing risks associated with operating a nuclear power plant.

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<sup>7</sup> 20 V.S.A. § 38 (a)(5)(B)

<sup>8</sup> Division of Emergency Management document “Transforming Vermont RERP from an Exercise Based Program to a 365 Day a Year Response Program,” July 1999.

<sup>9</sup> 20 V.S.A. § 38 (a)(6)

<sup>10</sup> 20 V.S.A. § 6 (d)

The duties of the VSNAP include the following:<sup>11</sup>

- Define the responsibilities of state agencies for assuring the safety and health of the public as the result of the operation of a fixed nuclear facility and to assess the ability of state and local governments to meet this responsibility in terms of both technical expertise and financial support<sup>12</sup>;
- Discuss proposed changes in operations or specific problems that arise in the operation of a fixed nuclear facility, and to prepare and present technical data to serve as a basis for establishing the state's position on such changes or problems<sup>13</sup>; and,
- Develop awareness in the state and in the state government of the potential liabilities, benefits or repercussions of nuclear power generation in the state in comparison to other electrical energy sources <sup>14</sup>.

The Panel is comprised of the Secretary of the Agency of Human Services (or designee), the Secretary of the Agency of Natural Resources (or designee), the Commissioner of the Department of Public Service (who serves as chairperson), one member of an energy committee of the House and one member of an energy committee of the Senate and two members of the public (chosen by the Governor).



***Local emergency officials, such as Brattleboro Fire Chief David Emery pictured above, do not receive enough funding to make sure their personnel are adequately trained and prepared to respond to an actual emergency at Vermont Yankee - even though these rescue personnel will be the first to respond.***

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<sup>11</sup> 18 V.S.A. § 1701

<sup>12</sup> 18 V.S.A. § 1701(2)

<sup>13</sup> 18 V.S.A. § 1701(3)

<sup>14</sup> 18 V.S.A. § 1701(5)



## Financial Review

### Finding 1

**The Department of Finance and Management did not establish adequate internal controls related to the disbursement of money from the RERP Fund, and did not regularly reconcile the disbursements. As a result, inaccurate billing has occurred, actual annual costs are difficult to ascertain, and towns have not received funds in a timely fashion.**

### Discussion

In a review of the expenditures from the RERP Fund for Fiscal Year 2000, our Office found that the Department did not establish adequate internal controls related to the disbursement of money from the Fund.

There is no regular accounting of the amounts deposited or disbursed from the Fund, and the process for prioritizing expenditures is unclear. The Department did not establish a regular timeframe for the submittal of requests for reimbursements from the Fund.

Each of the State agencies or departments bills expenses to the Fund irregularly. The lack of formally defined practices hampers the ability of planners and budget analysts to determine if the Fund is trending toward a surplus or a deficit in any fiscal year. Large requests for funding often arrive at the end of the fiscal year. For example, in June 2000, the Health Department put in a reimbursement request for \$133,000 in laboratory fees, radiological testing and other associated personnel and travel costs.

This accounting practice also makes it difficult to fund an ongoing, adequate and effective plan.

According to statute (20 V.S.A. § 38 (a)) the Commissioner of Finance and Management must administer the RERP Fund in conjunction with the Director of Emergency Management. However, unlike the Division of Emergency Management, the Department of Finance and Management has no other function associated with carrying out the Plan. The Commissioner of Finance and Management has ceded his authority to survey local towns to the Director of Emergency Management, and relies upon the experts at the Division to guide his approval of expenditures from the Fund.

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**- David Emery,  
Fire Chief,  
Town of Brattleboro.**

*"They think it is so simple, but it's not. We need to be alerted and trained to know what happens, how to escape."*

Mary Jeanne Bouchard  
Brattleboro resident

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### ***Making the Evacuation Plan Work for Everyone***

**M**ary Jeanne Bouchard is never one to shy from telling people what's on her mind - especially when it comes to advocating for the rights of those who, like her, are Deaf.

When Rep. Bernie Sanders, I-VT, announced he was holding a public hearing in Brattleboro in order for local residents to ask questions of state, federal and plant officials, she knew she had to be there - for herself, her friends, and her 13-year-old daughter (who is also Deaf).

"I was so nervous, but glad I got my point out. What happened, I can't recall the date, [is that] one day when Yankee Power had [an] alarm system that went off - the community knew it, but I did not know and I ask other Deaf if they were aware [of the alarm]," said Bouchard. "Brattleboro has a large population of Deaf - from very young children to senior citizens - and none of us were alerted."

Since the hearing, Bouchard has urged State officials to include people who are Deaf or have a disability in discussions about the emergency plan.

State and local officials say people who are Deaf, or have a disability, will be notified in the event of an actual emergency. Each year, Vermont Yankee and the State issue a calendar that provides an overview of the emergency plan. The calendar has a postcard for people with special needs to fill out and send to emergency officials asking for assistance.

"The only thing they said at the meeting was to look at the back of the calendar [for whom to contact]," says Bouchard. "Some of us who have good reading ability can go ahead and fill out the card. I have done it for years. I even called that place and I asked them how they were going to alert me. They said not to worry."

"They think it is so simple, but it's not. We need to be alerted and trained to know what happens, how to escape," she adds.



## ***Local Towns: The Backbone of Emergency Response***

**B**rattleboro is by far the largest of the five towns that comprise the ring of communities within the 10-mile Emergency Planning Zone of Vermont Yankee. It is home to, and surrounded by, hundreds of businesses, dozens of schools and child care centers, a hospital, several colleges and a dozen or more nursing homes.

In the event of an actual emergency at Vermont Yankee, people will need to be moved from these places to more secure sites. This massive activity will largely be coordinated through the town's Emergency Operations Center (EOC).

Aside from these emergency duties, local officials are also the ones who provide the most day-to-day oversight of community response plans.

One role of the Vermont Radiological Emergency Response Plan Fund is to support activities at the local level needed to carry out the Plan. But, money given out to local towns has dropped in recent years - to the point where Brattleboro stopped asking for help.

"We realized that because there was such little money, and we had to put in so much effort, that maybe we should let some of the smaller towns have access to these funds," says Dave Emery, Brattleboro's Fire Chief.

*continued, next page*

Not having an accurate accounting of the Fund balance can cause delays in payments to local communities and state agencies.

For example, the town of Guilford waited 20 months from their initial request to receive a check from the State to reimburse the costs associated with the installation of a radio base station. The base station was required to ensure the entire town could receive emergency communication coverage during a drill or a real accident.

The Town initially made its request on June 28, 1999 for funding in the 1999 Awards series. The Department of Finance and Management informed the Division of Emergency Management that no cash was available and it could not make good on the award promise for that year.

Guilford's request was then moved into the 2000 Award series, but due to the amount of requests from other towns and little spending approved for local grants, there was not enough money to cover all needs. Again, the Department told the Division there was not enough money to fully make good on Guilford's award. The Department finally gave the Division approval to pay Guilford shortly before the town was given the go-ahead on November 3, 2000 to make the purchase.

Guilford made the purchase and requested reimbursement on January 24, 2001. On February 5, 2001 the Division asked the Department to send a check to the town. The town received its reimbursement check from the State on March 1, 2001.

### **Recommendation 1**

**Vermont's Division of Emergency Management should be given authority to administer the Fund associated with carrying out the Plan.**

**The Division should implement proper internal controls, policies, and schedules to govern the timely disbursement of funds.**

*... continued from previous page*

With that, Brattleboro went directly to Vermont Yankee for help. In the past three years the plant has bought thousands of dollars worth of equipment in Brattleboro, and has agreed to consider all town requests not covered by the Fund.


“The chances of getting full funding are greater going directly to Vermont Yankee than applying to the Fund,” says Jerry Remillard, Brattleboro’s Town Manager.

Still, Brattleboro officials say Emergency Management personnel have always come through when the town truly needs them. The State installed phones in the EOC when the town’s phones crashed a few years ago, along with other minor improvements.

“Emergency Management has been the poor third cousin and because of that the locals have been the fifth cousin. We have a good working relationship, but the money’s just not there,” says Emery.

The Fund should be adequately capitalized to pay for local needs, Emery and Remillard say. For example, the town could use \$50,000 to update the EOC - installing better computers and facilities to handle more staff.

“What we saw on September 11 is that local response is going to be the first response and you’re not going to get outside help until it arrives, and it might not come right away,” says Remillard.



## Finding 2

**The Department of Finance and Management has not provided timely reports of the Fund’s activity to the Legislature.**

### Discussion

According to statute (20 VSA § 38 (a)(2)) the “commissioner of finance and management annually shall submit to the general assembly a report detailing expenditures from the fund.” There is no deadline in statute for when this report must be provided to the Legislature.

An annual report is commonly provided to give the public a snapshot of that year’s expenditures from the Fund. The close of the State’s fiscal year is June 30, however the annual reports from the Department of Finance and Management were sometimes submitted more than one year after the close of the fiscal year. For example, the report to the Legislature for Fiscal Year 2000 was filed on November 2001, after this review of the Fund was initiated and copies of reports requested.

The Commissioner, in correspondence with this Office explaining the tardiness of the Fund’s annual reports, said there is “a 1-year lag in the billing cycle for the RERP Fund.”

### Recommendation 2

**The Division of Emergency Management should submit an annual report to the general assembly detailing expenditures from the Fund no later than November 15 of each year.**



## Other RERP Fund Issues

### **Finding 3**

**Current funding for RERP activity is less than a third of what is needed to carry out the Plan.**

### **Finding 3a**

**Six departments of State government currently subsidize the cost of emergency preparedness for an accident at Vermont Yankee with taxpayer dollars.**

### **Discussion**

Since 1999, Division of Emergency Management personnel have attempted to compile documentation of full program costs associated with maintaining the effectiveness of the RERP. In recent years, the Division has compiled these figures into a consolidated budget to carry out the Plan. The total consolidated RERP Fiscal Year 2002 budget is \$817,737.

Recent discussions among Division personnel estimate that current annual RERP Fund levels are one-third of what is truly needed to carry out the Plan.

In the Fiscal Year 2002 consolidated budget, the Division asked Vermont Yankee to pay an additional \$100,000 to support State activities required by the federal government to carry out the Plan. This request, which was the most recent in a long line of similar requests for additional funding, appears to have prompted the utility's owners to request an audit of the RERP Fund, as allowed by statute.

The Vermont Yankee Nuclear Power Corporation hired a private audit firm, Counts and Associates, to perform a review of the expenditures charged to the RERP Fund for each fiscal year beginning with July 1, 1997 through May 30, 2001. In addition, the firm performed a review "of the proposed request for additional funds applicable to FY02, which began July 1, 2001 and ends June 30, 2002."

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*"We have a very lean organization, but Lew [Stowell] is the organization. I do worry sometimes when Lew is out of town because if Lew's out of town and we've got an issue to deal with, he is the [sole RERP planner] for the State."*

- Ed von Turkovich,  
director  
of Vermont's Division of Emergency Management.

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## *Lew Stowell: Vermont's Radiological Emergency Planner*

A Dilbert cartoon on Lew Stowell's filing cabinet tells the story: "Some day we hope to have a budget," says one character explaining the company's disaster recovery plan.

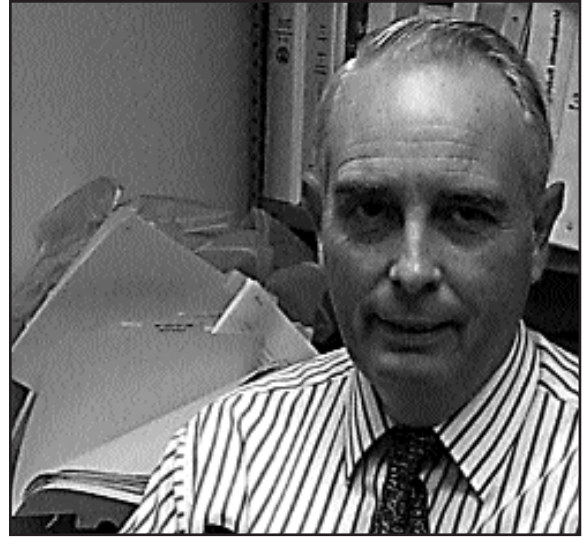
The lack of adequate funding doesn't deter Stowell, Vermont's lone Radiological Emergency Response Plan planner, from doing his job and doing it well.

"We have a very lean organization, but Lew is the organization," says Ed von Turkovich, director of Vermont's Division of Emergency Management during an interview with this Office. "I do worry sometimes when Lew is out of town because if Lew's out of town and we've got an issue to deal with, he is the [sole RERP planner] for the State."

He helps the five communities within the Emergency Planning Zone, and more than 100 other organizations that need to have an evacuation plan in place in case of an actual emergency at Vermont Yankee. He is the person who is in charge of making sure the State plan conforms with guidelines issued by the Nuclear Regulatory Commission and the Federal Emergency Management Agency.

"Lew Stowell has a tremendous workload trying to maintain procedures and keep everyone happy," says Dave Emery, Brattleboro's Fire Chief, who has worked with Vermont's Emergency Management for years on the RERP program. "The State is really doing a lot with what appears to be very little staff."

Stowell has been the State's RERP Planner since mid-1995 and, compared to his counterparts in other New England states, does the work of roughly a dozen people. New Hampshire, for



example, has 18 staff, to carry out the Plan for any given year; Massachusetts has roughly 20 staff to do this work.

Stowell is joined by one program assistant, an instrument and training coordinator, who works at least half time on RERP, and one part-time Local Coordinator. He also receives some administrative support from the Department of Public Safety.

Each year, the NRC and FEMA issue updates to the guidelines that govern state RERP programs. When those changes occur, one person in state government is given the task of making sure the State plan works in concert with the more than 100 other state and local plans.

"They all have to work together, like cogs in a wheel. And, if one is not aligned just right, other aspects of the plan don't work well, either," says Stowell.

Stowell's efforts best exemplify the hard work and commitment by State and local employees and volunteers who, given not enough support and resources, go to extra lengths to ensure that plans are in place to protect the lives and property of residents living near the Vermont Yankee nuclear power plant.



The draft audit fails to reach a decision supporting the request for an increase in funding.<sup>15</sup>

According to recent Health Department estimates, the historic level of funds available to departments and municipalities annually through the RERP Fund may have fallen to less than half of what is needed to carry out the Plan.<sup>16</sup> Other estimates place this shortfall at nearly a third of what is truly needed.

Documents provided to this Office by the Vermont Department of Health place the total number of trained staff required to carry out the health-related sections of the Plan at 42, with the number of personnel historically trained and paid for by the Fund at 11 (See Chart One). This leaves a shortage of 31 trained people needed to carry out the Plan. The Health Department estimates that for its areas of responsibility, an additional \$280,000 would be required for current department staff to be trained and participate in the drill sufficient to meet Plan requirements.<sup>17</sup>

This brings the total anticipated Health Department costs to \$473,915 in the year when the drill occurs and \$459,515 in the off year.<sup>18</sup>

By federal law, the Department of Agriculture, the Agency of Transportation, and the Agency of Natural Resources are included during any event at Vermont Yankee, whether the response falls within the 10-mile Emergency Plume Zone or the 50-mile Ingestion Pathways Zone. Much of this has to do with off-site monitoring of contamination in streams, fields and forests (for ANR) and cattle feed and livestock (for Agriculture).

The Division of Emergency Management asked these various departments to submit estimated costs to carry out activities in support of the Plan. This was done in preparation for the Counts and Associates audit.

Here is what they reported:

- The Agency of Natural Resources estimates its annual costs in support of the Plan to be \$10,464. This estimate does not include expenses incurred by the Department of Forest, Parks and Recreation although they do play a role during the biennial exercise.
- The Department of Agriculture estimates that it spends \$13,081 during exercise years and roughly \$4,600 during non-exercise years.
- The Agency of Transportation estimates its annual costs to be \$42,500 to carry out its functions spelled out in the Plan.
- The Department of Public Service estimates its annual cost for FY 2002 to be \$17,000. This includes \$7,000 to have the Nuclear Engineer on call.

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<sup>15</sup> Counts and Associates, "Draft Audit Report," November 13, 2001.

<sup>16</sup> "Anticipated Vermont Yankee Costs," Department of Health. Draft Consolidated Budget.

<sup>17</sup> Correspondence from Larry Crist, Director of the Health Protection Division at the Vermont Department of Health, with this Office. "Vermont Yankee/Response to Auditor's Draft," January 16, 2002. (See Appendix B)

<sup>18</sup> "Anticipated Vermont Yankee Costs," Department of Health. Draft Consolidated Budget.

**Chart One:**  
**Staffing: The Plan Versus Reality**  
**Vermont Health Department**

Staff Activity	Staff required by Plan	Historical Staffing	Staffing Deficiency
Plume Tracking Teams			
Ingestion Pathways Teams			
Post-Plume Data Analyst			
Plume Projection Analyst			
Incident Field Office			
Reception Center Monitors			
Relocation Center Radiological Advisors (Bellows Falls High School and Brattleboro)			
Emergency Operations Center Incident Director			
Health Response Coordinator			
Public Information Officer			
<b>Total</b>	<b>42</b>	<b>11</b>	<b>- 31</b>

In the Department of Public Service's response - a memo dated June 21, 2001 - State Nuclear Engineer William Sherman noted, "while we have not drawn from the fund previously, this has resulted in an unnecessary subsidy to Vermont Yankee. We believe that Vermont Yankee needs to be responsible for the costs which result from its operation."

Additionally, the cost for the Department of Public Safety to house the Division of Emergency Management's radiological response facilities are borne by state and federal dollars, not the RERP fund. This cost has not been quantified.

Adjacent states with RERP programs ensure that the full range of infrastructure and facility costs are borne by their respective RERP funds.

The practice of having Vermont Yankee pay for activities related to carrying out the Plan, but made outside the auspices of the Fund, make it difficult to fully evaluate the true costs of emergency preparedness. In recent discussions, Emergency Management personnel estimate funds needed for state and local efforts in FY 2003 to be \$1.2 million.

### **Recommendation 3**

**The Division of Emergency Management should annually survey the local municipalities and organizations to determine the financial need associated with carrying out the plan.**

**The Division should evaluate these requests and include necessary expenditures in the comprehensive annual budget, which should be reviewed and approved annually by the Public Service Board and then assessed to any utility owning a nuclear power plant in Vermont.**

**Additionally, Vermont should document and assess the amount of money that has been subsidized by various State departments for Fiscal Years 1999, 2000, 2001, and 2002 and recoup those monies from the Vermont Yankee Nuclear Power Corporation.**

## Finding 4

**The implementation of the RERP Plan is not linked with the administration of the Fund. There is no relationship between the \$400,000 required by statute to be maintained in the RERP Fund, and the statutory goals and changing federal requirements that govern the Plan.**

### Finding 4a

**Vermont receives the least amount of funding for its Radiological Emergency Response Plan (the Plan), in overall dollars, of any New England state that hosts a nuclear power plant.**

## Discussion

The consolidated budgets compiled by the Division of Emergency Management have little relationship to the \$400,000 required by statute to be maintained in the RERP Fund. To date, the consolidated budgets have not been formally adopted or funded in any systemic way. Instead the budgets serve as detailed working estimates of the cost of various activities needed to carry out the Plan during a given fiscal year.

Federal requirements and current events can cause unanticipated changes in RERP budgets that may require that additional funding be available. Two recent examples of unanticipated costs are the potential increases for EPZ planning relative to EPZ size, and the distribution of potassium iodide (KI). Potassium iodide, when ingested, offers a person's body some protection from radiation. Either of these activities would bring about immediate increases in the costs of administering a revised plan.<sup>19</sup>

In a December 28, 2001 e-mail to various state and regional officials, Vermont RERP Planner Lew Stowell noted there were "a number of issues that confront or impact the preparation for the Reception Center exercise<sup>20</sup> and *its use in any actual event at Vermont Yankee* [emphasis added]."

The two issues Stowell notes in his correspondence include the purchase of an additional portal monitor to screen for radiation contamination, and the public distribution of KI pills, pursuant to Governor Howard Dean's recent decision. Prior to this year, the Governor had not endorsed the public distribution of KI pills.

These changes come with some cost that the Fund is apparently unable to meet, especially when they concern proper portal monitors that can monitor everything from vehicles to animals and people. "There are units significantly more expensive that can do that but I doubt we can justify that expense. Therefore I suggest that we suspend making vehicle monitoring a criteria for the portal monitor but we should purchase the cables that permit that use so that we can monitor animals. Wouldn't it be unfortunate to have to destroy an [sic] large number of cows, horses, etc. because we couldn't monitor them quickly and easily,"<sup>21</sup> Stowell writes.

The result of this constant insufficient funding has led the Division of Emergency Management to provide advance draft copies of the consolidated budgets, and the RERP work plans, to Vermont Yankee Nuclear Power Corporation for comment and review. This process has been used to seek Vermont Yankee's help to pay for activities related to carrying out the Plan.

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<sup>19</sup> E-mail from Lew Stowell, Vermont's RERP Planner, to various local, state and Vermont Yankee emergency personnel dated December 28, 2001.

<sup>20</sup> A Reception Center exercise is conducted by the Federal Emergency Management Agency and the Nuclear Regulatory Commission to ensure proper procedures are in place at emergency reception centers.

<sup>21</sup> E-mail from Lew Stowell, Vermont's RERP Planner, to various local, state and Vermont Yankee emergency personnel dated December 28, 2001.



*Unlike its nearest counterparts, Vermont's Division of Emergency Management has only one full-time and two part-time staff to support its RERP program. New Hampshire has nearly 20 full- and part-time staff, as well as consultants, while Massachusetts has more than 20 full-time staff to carry out its RERP program.*

In several instances, Vermont Yankee has agreed to pay additional money to ensure that certain statutory responsibilities related to carrying out the Plan are completed. This is not an effective way to ensure adequate funding to support the RERP.

The Department of Finance and Management has interpreted state statute (20 V.S.A. §38 (a)(5)(B)), which requires any utility operating a nuclear reactor, to pay "an amount equal to the amount required to establish or maintain the Vermont radiological emergency response plan fund at the level of \$400,000" each fiscal year to be a cap on the amount assessed to the utility. Another interpretation of this law would be that, should more funding be needed and spent, the utility would have the obligation to replenish the fund to \$400,000. According to current practice, and through this Office's discussion with key state and local personnel, any amount spent above the \$400,000 level is paid for by various State departments - Public Safety and Health in particular - or are borne by local communities.

Vermont receives less money for emergency response (RERP) than any other state in the New England region that hosts an operating nuclear power facility (see Chart Two). Additionally, Vermont receives less in funding from Vermont Yankee than the states of Massachusetts and New Hampshire (see Chart Three). All three states have communities within the 10-mile Emergency Planning Zone and the 50-mile Ingestion Pathways Zone established by federal officials.

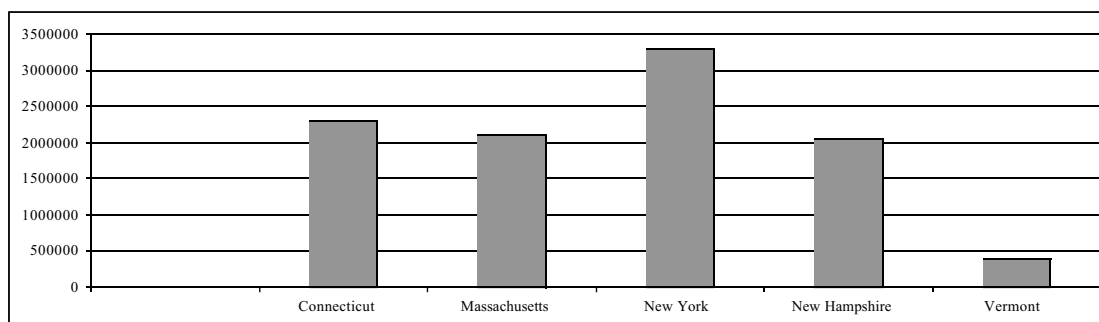
Vermont Yankee must make sure adequate RERP Plans are in place in Vermont, New Hampshire and Massachusetts because communities in those states are within the 10-mile EPZ. In order for Vermont Yankee to retain its operating license, these RERP Plans must be in place and pass the biennial drills led by federal officials.

Vermont does conduct an annual training exercise with four towns within the Emergency Planning Zone of Yankee Rowe Nuclear Power Plant in Rowe, Massachusetts, although it does not receive money from that plant's owner. This is because Yankee Rowe is not included in Vermont State statute since it is a decommissioned nuclear power plant (it closed in 1992) and is located outside the state's border.

In other states, the budget for emergency response planning is developed within the emergency management division based on true costs to support its Plan that year. The budget is then approved as a charge to the utility through an appropriate regulatory body.

In New Hampshire, it is the Public Utilities Commission (similar

**Chart Two:**  
***RERP Funding in Regional States that Host  
a Nuclear Power Plant***



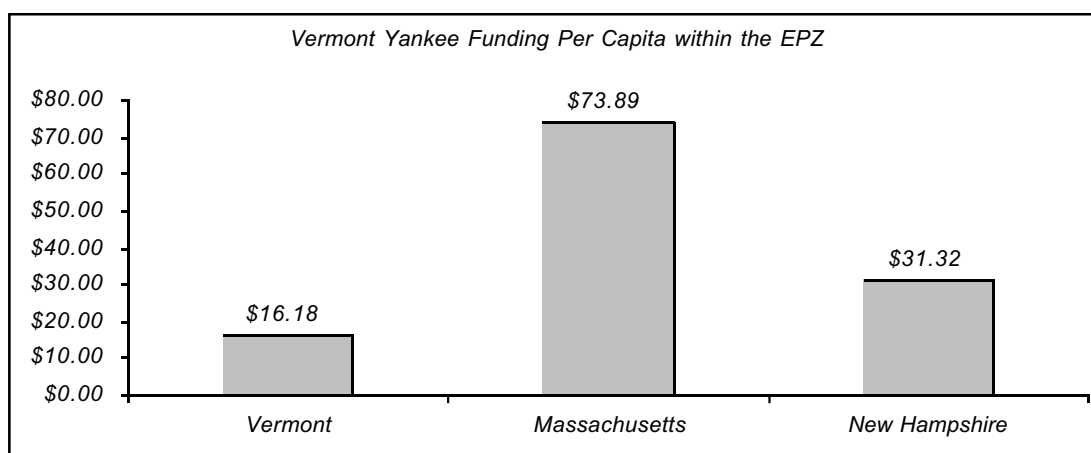
to the Public Service Board in Vermont). In Massachusetts, it is the Department of Telecommunications and Energy (which was formerly the Public Utilities Commission before the state restructured the utility retail market).

In Massachusetts and New Hampshire, the funding mechanisms in place to support RERP efforts are more flexible and are linked directly to the costs necessary to sustain and implement an effective radiological emergency response plan.

In New Hampshire, the costs associated with carrying out their RERP program are billed monthly to the two nuclear power plants that operate in or near the state - Vermont Yankee and Seabrook. Vermont Yankee's owners contribute roughly \$600,000 to New Hampshire annually. New Hampshire receives an additional \$1.4-\$1.5 million from Seabrook, which is located within the state's borders. Vermont Yankee has a verbal agreement with New Hampshire to pay the costs, as it is not a regulated utility in New Hampshire.

In Massachusetts, the Nuclear Safety Director of the Massachusetts Emergency Management Agency negotiates an annual grant with the operators of all existing nuclear power facilities (including the

**Chart Three:**  
***Funding Comparison - Vermont Yankee Emergency Planning Zone***



*Some municipalities and local organizations have stopped applying to the State for grants to purchase needed equipment because money from the RERP Fund has historically been inadequate, and awards have not been issued in a timely fashion.*

decommissioned Yankee Rowe) to support the RERP plan. This grant, which currently totals more than \$2 million, is funded by the owners of nuclear power plants located in, or adjacent to, the state - Vermont Yankee, Seabrook, Yankee Rowe and Massachusetts Pilgrim.

A portion of this annual grant is funded by a surcharge levied by the Massachusetts Department of Energy and Telecommunications (DET) on the utilities that run the nuclear power plants based on the amount of nuclear power actually sold in the state. This surcharge, roughly \$700,000 of the more than \$2 million program, is approved annually through the budget adopted by the Massachusetts legislature, which includes language that mandates the charge to be levied by DET.

Vermont Yankee owners provide Massachusetts with a total of roughly \$565,000 annually to support the State's RERP program.

There is precedent in Vermont to charge the Public Service Board with the authority to review and approve budgets related to utility functions. For example, the Board reviews and approves the budgets related to the Telecommunications Universal Service Fund that supports the Lifeline Program and E-911. It also reviews annual budgets for the Energy Efficiency Utility.

#### **Recommendation 4**

**Vermont should use adjacent states as a model to seek full funding for its activities to carry out the RERP program.**

**The Public Service Board should review and approve a comprehensive annual budget that is reasonably calculated to achieve the goals of the Plan as set out in statute.**

**The Board should assess a charge annually to any utility operating a nuclear power plant for these purposes. The Board should have the authority to approve emergency increases to the Fund, for good cause and upon request by the Division of Emergency Management.**



## **Finding 5**

**Vermont depends upon committed local and state officials to be trained and equipped in order to pass the biennial drill. Some are volunteers. Others are responsible for multiple tasks. While this works well for a drill, it could provide an inadequate response for a real emergency.**

### **Discussion**

The State of Vermont has always received passing grades during the biennial drills by relying heavily upon a group of dedicated state employees and local officials. While problems have been found, none have warranted federal officials to give the Plan a failing grade.

Because the drill never encompasses a complete disaster response at any one time, the State has been able to use a small core group of employees by assigning them multiple roles. For example, one Health Department employee on the staffing roster was, in the past, assigned three roles. These separate roles placed him in different locations with different duties simultaneously in the event that the full Plan had to be implemented.

According to Emergency Management documents and discussions with key Division and Health Department personnel, the RERP Plan is effectively in place to meet the criteria and staffing patterns required by the biennial drill performed by the Federal Emergency Management Agency, and not a true emergency.

Unlike its nearest counterparts, Vermont's Division of Emergency Management has only one full-time and two part-time staff to support its RERP program. The New Hampshire Emergency Management Division has 18 full-time staff, while the Massachusetts Emergency Management Agency has more than 20 full-time staff.

Vermont's RERP Plan must work in conjunction with, and take into account, five local emergency plans, more than a dozen school district plans, as well as those of nursing homes, hospitals, child care facilities, private schools including one for people with hearing impairments, colleges, and campgrounds. To succeed, these local officials must be properly equipped and adequately trained. Some local municipalities and organizations have stopped applying to the State for grants to purchase needed equipment because funds have historically been inadequate, and awards have not been issued in a timely fashion.

### **Recommendation 5**

**The Division of Emergency Management should ensure that sufficient numbers of state and local officials are available, properly equipped, and adequately trained to carry out the Plan during an actual emergency. Grants to eligible municipalities and organizations should be awarded and disbursed in a timely fashion.**

## Finding 6

The State receives no money from the owners of the decommissioned Yankee Rowe nuclear power plant, located in Rowe, Massachusetts, to maintain an emergency response plan for four Vermont towns within 10 miles of the plant.

### Discussion

The Yankee Rowe Nuclear Power Plant was decommissioned in 1992, and has subsequently argued that is not bound by Vermont law to make payments to the State for costs associated with maintaining a radiological emergency response plan for the four towns in the Emergency Planning Zone. Those towns are: Halifax, Readsboro, Whitingham and Stamford. The State has also not actively pursued reimbursement from Yankee Rowe's current owners - Duke Energy - according to Division personnel, nor does it have an accurate accounting of costs associated with these activities.

Vermont statutes that govern the Fund state that only a "utility operating a nuclear reactor in this state" is required to pay into the Fund. Yankee Rowe is neither an operating reactor, nor is it located in Vermont. There are less stringent federal guidelines that govern emergency planning in the vicinity of a decommissioned plant than an operating one. In the case of Yankee Rowe, only the NRC is involved in reviewing such a plan. FEMA, which actively oversees the plans around an operating plant, is not involved with a decommissioned plant.

### Recommendation 6

The Division should assess the needs for an emergency response plan to cover the four EPZ towns in Vermont near Yankee Rowe, and review all available approaches, including legal avenues, to secure funding from the owners of Yankee Rowe to pay for these costs.

The Division, the Public Service Board, and Public Service Department should evaluate whether the Plan and the Fund are adequate to deal with changing circumstances envisioned when Vermont Yankee is decommissioned. The Plan and the Fund should be maintained at adequate levels after decommissioning, without placing the burden of those costs upon state and local taxpayers.



*This DILBERT cartoon was taped to a filing cabinet in the office of Vermont's Radiological Emergency Response planner, and underscores the awareness within State government that funding to carry out the Plan is inadequate.*

*(DILBERT reprinted by permission of United Feature Syndicate, Inc.)*

# Appendix A

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OFFICE OF THE SECRETARY  
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STATE OF VERMONT

## AGENCY OF ADMINISTRATION

January 15, 2002

Elizabeth Ready, Auditor of Accounts  
132 State St., Drawer 33  
Montpelier, VT 05633-5101

JAN 17 2002

Dear Auditor Ready:

The Administration's response to your financial review of the state's handling of the Vermont Radiological Emergency Response Fund (RERP) is straightforward: we concur with most suggested improvements. We disagree with the recommendation for the Public Service Board to validate annually the Administration's determination of funds needed from the fund.

For 18 months we have been working with Vermont Yankee's owner on a process for justifying state expenses for training and preparation for plant emergencies. Much of the response capacity is local, and, as you point out, needs to be identified and financed from the fund. We are near resolution on the state portion, and pursuing with municipalities a catalogue of local needs.

Following is our response to findings and recommendations.

### Finding 1

The Department of Finance and Management did not establish adequate internal controls related to the disbursement of money from the RERP Fund, and did not regularly reconcile the disbursements. As a result, inaccurate billing has occurred, actual annual costs are difficult to ascertain, and towns have not received funds in a timely fashion.

### Recommendation 1

Vermont's Division of Emergency management should administer the Fund associated with carrying out the Plan.

The Division should implement proper internal controls, policies, and schedules to govern the timely disbursement of funds.

### Response 1

Controls established by the department resulted in accurate but often untimely disbursements. An audit contracted by Vermont Yankee last June, as part of the state's effort to determine the appropriate level for the RERP Fund, found the bookkeeping met accounting requirements, but was confusing, chiefly in matching expenses to payments year to year.

The Division of Emergency Management, with the Department of Public Safety's business section, will administer the fund. The Department of Finance and Management will provide the same oversight and support that it does to other operations.

## **Finding 2**

The Department of Finance and Management has not provided timely reports of the Fund's activity to the Legislature.

## **Recommendation 2**

The Division of Emergency Management should submit an annual report to the general assembly detailing expenditures from the fund no later than November 15 of each year.

## **Response 2**

The one-year lag in the billing cycle mentioned by the Commissioner of Finance should be shortened by the direct budget administration by the Division of Emergency Management.

## **Finding 3**

Current funding for RERP activity is less than half of what is needed to carry out the Plan. Six entities of state government currently subsidize the cost of emergency preparedness for an accident at Vermont Yankee with taxpayer dollars.

## **Recommendation 3**

The Division of Emergency Management should annually survey the local municipalities and organizations to determine the financial need associated with carrying out the plan.

The Division should evaluate these requests and include necessary expenditures in the comprehensive annual budget, which should be reviewed and approved annually by the Public Service Board and then assessed to any utility owning a nuclear power plant in Vermont. Additionally, Vermont should document and assess the amount of money that has been subsidized by various state departments for Fiscal Years 1999, 2000, 2001, and 2002 and recoup those monies from the Vermont Yankee Nuclear Power Corporation.

## **Response 3**

In addition to local municipalities and organizations, the financial cost for training and capacity to carry out the emergency response includes state government efforts. As mentioned above, the determination of both local and state needs is in process, and must be done annually. The RERP Fund level will be part of the budget that the Governor submits directly to the Legislature.

## **Finding 4**

The implementation of the RERP Plan is not linked with the administration of the Fund. There is little relationship between the \$400,000 required by statute to be maintained in the RERP Fund, and the statutory goals and changing federal requirements that govern the Plan.

Vermont receives the least amount of funding for its radiological emergency response plan (RERP), both per capita and in overall dollars, of any New England state that hosts a nuclear power plant

#### **Recommendation 4**

Vermont should use adjacent states as a model to seek full funding for its activities to carry out the RERP program.

The Public Service Board should review and approve a comprehensive annual budget that is reasonably calculated to achieve the goals of the Plan as set out in statute.

The Board should assess a charge annually to any utility operating a nuclear power plant for these purposes. The Board should have the authority to approve emergency increases to the fund, for good cause and upon request by the Division of Emergency Management.

#### **Response 4**

Vermont should receive the budget amount needed to finance a capable response, at state and local levels, to an emergency at the plant. To determine that amount, the state and Vermont Yankee agreed to do the audit last summer. We are now comparing our resource requirements to those of other states hosting nuclear plants to see whether we have covered all needs. When we have a figure we can justify, we will ask the Legislature to use that, rather than the \$400,000 that now is the RERP Fund cap.

#### **Finding 5**

Vermont depends upon committed local and state officials dedicated to being trained and equipped to pass the biennial drill. Some are volunteers. Others are responsible for multiple tasks. While this works well for a drill, it could provide an inadequate response for a real emergency.

#### **Recommendation 5**

The Division of Emergency Management should assure that sufficient numbers of state and local officials are available, properly equipped, and adequately trained to carry out the Plan during a real emergency. Grants to eligible municipalities and organizations should be awarded and disbursed in a timely fashion.

#### **Response 5**

With authority for Emergency Management to distribute funds directly to municipalities, the grant issue should be remedied. We agree that the drills should reflect actual conditions. It was concern expressed by Emergency Management and the Health Department that led to the discussions with Yankee on revising the RERP Fund amount. It needs to have enough money in it to make sure state and local responders can do the job right.

#### **Finding 6**

The State receives no money from the owners of the decommissioned Yankee Rowe nuclear power plant, located in Rowe, Massachusetts, to maintain an emergency response plan for four Vermont towns within five miles of the plant.

### **Recommendation 6**

The Division should assess the needs for an emergency response plan to cover the four EPZ towns in Vermont near Yankee Rowe, and propose any changes to 20 VSA § 38(a)(5)(A) needed to secure funding from the owners of Yankee Rowe to cover the costs.

The Division, the Public Service Board, and Public Service Department should evaluate whether the RERP and the Fund are adequate to deal with changing circumstances envisioned when Vermont Yankee is decommissioned after its license expires in 2012. The Plan and the Fund should be maintained at adequate levels after decommissioning, without placing the burden of those costs upon state and local taxpayers.

### **Response 6**

There are expenses in Vermont from the decommissioning of the Yankee Rowe plant in Massachusetts. State and local costs should be reimbursed. We will pursue the issue with the Nuclear Regulatory Commission. We concur that post-license expenditures by the state need to be borne by the plant owners during decommissioning.

Enclosed is a Health Department request for clarification or correction of passages on Pages 10 and 14.

Aside from references in our responses, we decided against contradicting specific statements in the review's findings. Overall, they were consistent with information we developed over the past year to 18 months. We, too, want this exercise to help improve Vermont's response capability.

Cordially,



Glenn Gershanek  
Deputy Secretary

CC: Kathleen C. Hoyt, Secretary of Administration  
Kate O'Connor, Secretary of Civil and Military Affairs  
A. James Walton, Commissioner of Public Safety  
Sean Campbell, Commissioner of Finance and Management  
Christine Salembier, Commissioner of Public Service  
Larry Crist, Health Protection Director  
Edward von Turkovich, Emergency Management Director

# Appendix B



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**TO:** Glenn Gershaneck  
**FROM:** Larry Crist, Director  
**DATE:** January 15, 2002  
**SUBJ:** Vermont Yankee/Response to Auditor's Draft

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Page 10, Paragraph 7, beginning with "Draft documents provided to this Office..." should be replaced with:

Documents provided to this Office by the Vermont Department of Health place the total number of trained staff required to carry out the health-related sections of the Plan at 42, with the number of personnel historically trained and paid for by the Fund at 11. This leaves a shortage of 31 trained people needed to carry out the Plan. The Health Department estimates that for its areas of responsibility, approximately an additional \$280,000 would be required for current department staff to be trained and participate in the drill sufficient to meet Plan requirements.

Page 14, Paragraph 10 (second to last paragraph on the page), Second line, beginning with "For example..." should read:

For example, one Health Department employee on the staffing roster was, in the past, assigned three roles. These separate roles placed him in different locations with different duties simultaneously in the event that the full Plan had to be implemented.